

Industry Expert Series

The Future of Marketing is Social Data. But You Don't Have to be a Geek to Get It.



By Carri Bugbee

Carri Bugbee is a marketing professional of 20+ years who dove into social media headfirst and never looked back. As a social media marketing strategist, author, educator and speaker, she helps businesses and people navigate their options and incorporate best practices. You can connect with her on all the popular social networks.



Overview

Our number one job as marketers has always been to figure out where our customers are and how to make them want what we're selling. When media outlets were few, this was a no brainer. Almost everyone tuned into a handful of radio or TV programs and read the local newspaper.

After the advent of cable television and the proliferation of consumer magazines, media planners developed strategies to zero in on target audiences. It wasn't precise, but it was relatively easy (with the right tools). When direct marketers started assembling mailing lists based upon neighborhoods and consumer purchasing patterns, it seemed positively scientific. It was something, at least, that could be measured.

That all seems rather quaint now. Unless you've been living in a cave for the past few years (perhaps reading back issues of ID Magazine and Blender, both of which folded in 2009), you know that digital is dominating almost every media and brand strategy. TV has gone social (just try avoiding spoilers on Twitter). Over 7 million people have signed up to check into their favorite places on Foursquare. You can buy diapers or wine on Facebook. Even small, local retailers are taping QR codes to their store windows like mysterious beacons to robot overlords.

We're all data marketers now

All of a sudden, marketing has become very complicated – there are lots of moving pieces to manage. At the same time, it's become easier than ever to find and get inside the minds of our potential customers. We no longer have to guess where people are and what they care about. Every click, tweet, friend, follow, like, photo, review, vote, update and comment gives us a clue.

These digital signals are being used by forward-thinking marketers to guide decisions the way hikers use GPS pings to find their way out of the wilderness. And with businesses salivating at the alphabet soup of ROI, CRM and KPIs, scooping up the juicy tidbits people share to social platforms has become one of the best ways to develop highly targeted marketing strategies.

For example, if we know exactly what Ann Smith likes (or what her friends like and have purchased) there's a good chance we can craft a convincing message or provide a user experience that will entice her to buy more of it. That is, if we bother to collect that data about Ann in the first place.

"Social networks are evolving...
and the potential for the 'Holy
Grail of marketing' becomes real."

 Ellen Levy, vice president corporate development and strategy at LinkedIn (<u>CMO.com</u>)



The savvy marketer's new BFF: social data

Social data is a relatively new tool for marketers (and publishers). It's a product of the huge growth and expanding importance of social networks and media. If you're more <u>Don Draper</u> than <u>David Meerman Scott</u>, maybe you didn't even know this type of information was readily available. But once you see how it can drive more effective marketing and content, you'll never again think it's sufficient to just guess what your audiences might want. You'll know with absolute certainty.

Social media platforms share different types of data about their users with permission from the users. That may include:

- Name
- Nickname
- Birthday
- Gender
- Photos
- · Status update
- · Self-description
- · Friends/contacts

- URLs
- Location
- · Job history
- · Interests
- Clubs & organizations
- Affinities for brands, books, music & entertainment
- · Activity stream
- · Relationship Status

The volume of information that's available about what people do, think, feel, like and share is rather astounding. And with 1.5 billion signed up on social networks around the world, there will be no shortage of information to work with.

At the moment, Facebook offers the richest source of social data (see Appendix), but LinkedIn provides rich social data as well, geared around users' professional lives. Many of the social platforms change and expand the type of data that they can offer on a fairly regular basis. To see an up-to-date list of the types of user data offered by different social platforms, check out this interactive provider guide.

Marketing gets personal

Chances are, your brain is already churning with ideas about how you could use social data to create more effective marketing and content. Of course, you might also be wondering how many of your competitors are harnessing the power of social data to target *your* customers.

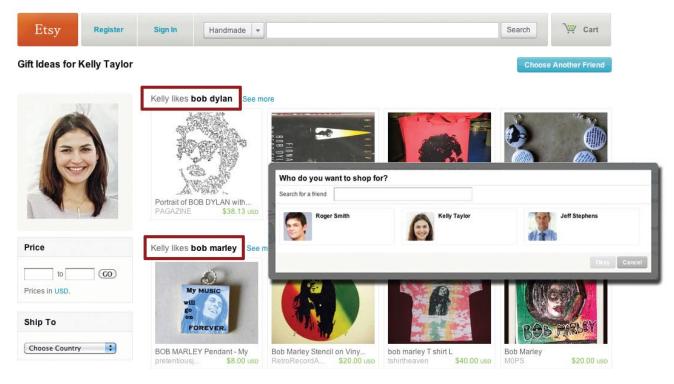
Here are some ways you might use social data in marketing and media:

Offer faster, more accurate recommendations to customers

Most of us are familiar with the process of receiving product recommendations from online retailers based upon what we've clicked on,

We are entering the era of connected e-commerce, where the adage that it's not what you know but who you know becomes a defining characteristic of the successful online merchant.

Ecommerce Times



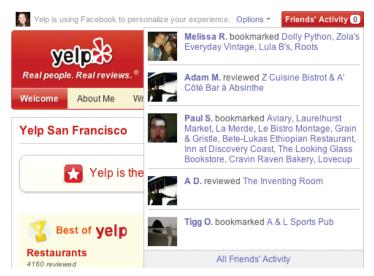
Etsy, a popular craft marketplace, utilizes your social graph to find unique gifts for friends based on their Facebook profiles.

purchased in the past, or the browsing and purchasing habits of people who've looked at similar products. This is great, but leveraging

the likes, favorites, purchases and opinions of your customers' personal friends (i.e., their <u>social graphs</u>) to make recommendations is a more accurate approach – and a lot speedier if their friends have already made purchases on a site.

A 2010 study by Microsoft and MIT entitled "What Do_People Ask Their Social Networks, and Why?" indicates people want trusted, human-vetted opinions and context – and this has been consistent over time. A 2004 study of America Online's query logs showed the most popular questions were about shopping (13 percent) and entertainment (13 percent).

People are constantly asking their friends on social networks for recommendations and opinions about



After logging into Yelp with your Facebook account, you are presented with a list of recommendations to restaurants and local businesses from your family and friends.



products, technologies, family life, entertainment, restaurants and more. They want ideas from their trusted networks of friends. If you have the right social data, you may be able to offer personalized recommendations the minute customers log in.

Serve customized content

Content marketing (which typically covers editorial or information) is one of the hottest trends right now, but without data to indicate what your customers care about, you'll simply be guessing about what to give them. However, when you pair social sign-in data with website visitor data, you can create an experience that keeps visitors interested in your content and on your site longer.

Big entertainment brands are already doing this by stitching together social data from multiple websites and networks within their portfolios. This creates a seamless and more enjoyable experience for site visitors because they are exposed to relevant content the moment they sign in with their social profiles (and accompanying social graphs).



The Washington Post started using a new service called Trove that displays personalized content based on interests and likes stored on a user's social network profile.

"This will be the year that vendors create their narrowcast strategies," Ecommerce Times recently reported. "The online world is becoming more reliant upon connections and narrowcasting messages to just the right audience demographic in order to deliver superior revenue growth."

Create highly personalized ads

Marketing has gone granular. Never before have we had the opportunity to create ads specifically targeted to people based upon what they do or what they like. A 2009 study by Choicestream showed that "those who spend the most money and shop most frequently are more likely to click on personalized ads than non-personalized ads. Overall, 39 percent of consumers are more likely to click on an ad if it is personalized; of those who shop online at least several times a month that number climbs to 58 percent. The survey also finds that the bigger the spender, the greater the interest in personalized ads." This isn't limited to online advertising: 72 percent of consumers are also interested in personalized advertising distributed through their televisions.



Not surprisingly, 97 percent of agency and advertiser respondents to a recent <u>Digiday survey</u> said "they'll use audience targeting techniques for their digital ad campaigns in 2011 – 47 percent reporting that more than half their total online ad spending will include audience targeting." In this case, audience targeting was defined as add shown to consumers with particular personal attributes.



With access to social data you are now able to target ads like never before. In this example, we're able to target men and women in Fargo who are engaged and most likely looking for sunny honeymoon locations.

That said, many publishers are leaving money on the table because they don't have the ability to identify their customers by personal attributes – which is available via social data! In fact, 47 percent of publishers "had to turn down RFPs due to their inability to target the requested audience segment." Yet, there's no reason for publishers (and their advertisers) to miss these targeting opportunities. Social data is inherently opt-in and consumers willingly share this information about themselves with the brand in exchange for personalization of experience.

Test messaging for online (and offline) campaigns

For decades, ad agencies embraced the *big idea* – pioneered by famed 1960s adman George Lois. Social media has now given way to a thousand small ideas. Literally. Rosetta Stone reported that a recent campaign netted "a billion impressions" on Facebook. They did that by creating 1,900 different ads, which they whittled down to a few hundred, then a few dozen, and then a handful of "hero" ads.

So, the big idea isn't exactly dead – it's just been refined via a new methodology for honing the most effective messages in a highly iterative process with real-time feedback. What an amazing time to be a marketer! Now you can spend a few hundred (or a few thousand) dollars to test campaign messages against a highly targeted audience before you make a multi-million-dollar media buy. The old adage, "I know half my advertising dollars are wasted, I just don't know which half," should fall by the wayside as quickly as movable type did when "desktop publishing" was introduced.



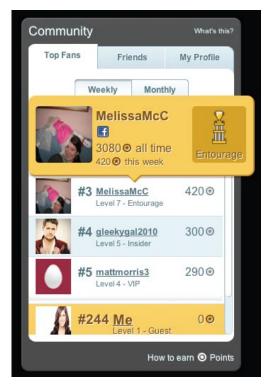
Incentivize loyalty and reward influencers

If you know what makes your customers tick, you can create better ways to reward them for certain behaviors such as purchases or sharing product information. By examining the power of their social graphs, you can also find your most influential customers and reach out to them selectively. You could even test new products and services with your most influential users first.

Nielsen Online estimates that people make 500 billion impressions on each other about products and services each year. Augie Ray and Forrester analyst Josh Bernoff reported last year that just 6.2 percent of adults online generate 80 percent of influence impressions. They added: "It's time to start analyzing peer influence with the same discipline we apply to media. And it's time word of mouth got a budget that reflects the amount of influence people have, and who has it." Gathering and analyzing social data is one of the best ways to discover who your most avid – and influential – customers are.

How to get social data for targeting and personalization

Most businesses have been collecting data about online customers and interactions for years. That includes page views, past purchases, website registrations, click-through metrics, email opt-ins, IP-based geo-location information and a lot more. There are long-established protocols for storing, sharing and sifting through this data to gain business insights.



Adding a social loyalty platform enables you to reward your users for completing certain behaviors on your site. In turn, you can identify your most loyal users and drive conversations.

Augmenting this information with social data can be extremely beneficial, but grabbing and storing social data requires new processes. For starters, the only way to gather social data across multiple networks is to implement social login (also known as social sign-on or sign-in). Social login lets customers quickly log into your website using their existing social networks instead of creating completely new (and sometimes fictitious) user profiles on your site through a registration page.

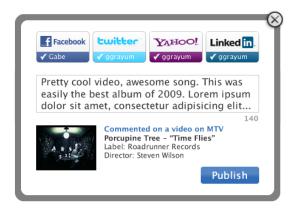
Login via social profiles is very attractive to customers because they can get access to content behind a registration wall in just one or two clicks instead of the several minutes it may take to set up a new profile, answer a bunch of questions and make it past confounding CAPTCHA screens. Social login is a brilliant option for businesses because every time customers come back to login, their data is refreshed – including updates to their social profiles, new friends added and recent activities. Just try getting someone to fill out a new registration form every time they come to your site! They'd never stop by again.

Janrain's social login application is called Engage, and it's built so you can offer authentication options via more than 20 different social platforms on your website, including the most popular options such as Facebook, Google, Twitter and LinkedIn.

There are many advantages to providing multiple login options. Obviously, not everyone is on every network, so it's just smart to offer choices – Google was the most popular until very recently when Facebook surpassed it. Plus, when a customer returns to your site and logs in via a different social platform, you can collect a different data set for that person, which makes your overall social data more robust and useful (as long as you have a way to connect those data sets together). Businesses can build a 360-degree view of their customers by connecting multiple social identities to a single customer using the Janrain Engage mapping feature. As you might imagine, this can be extremely useful. Additionally, Engage enables businesses to build friend invitations (via social networks) or refer-a-friend programs by tapping into customers' social graphs.



Janrain Engage allows your users to login to your website with one of 20+ social network and email providers.



Let your users share comments, purchases or other activities from your site to their friends on multiple social networks with Janrain Engage Social Sharing.

Another great way to glean social data is through social sharing. Every time someone shares a piece of your content to their social networks, this is an opportunity to gather useful information about that user. As you may know, there are dozens – if not hundreds – of free tools that allow people to easily share content. Many businesses (even large companies) use these "light" tools to encourage sharing of their content. In fact, you've probably used them yourself. The problem is, you can't get data from these tools that will help you analyze where your content is going and who is sharing it. However, Janrain Engage enables you to collect that profile data at the time of sharing as well as data about your key influencers.

Where to *capture* all that useful information

The other big piece of the social data puzzle is storage and access. Social data has been available for a relatively short time, so few businesses have databases or CRM systems that are built to accommodate the wide variety of information social networks share. For example, it's unlikely your current database is set up to store photos and activity streams, so even if you're collecting social data, you're probably dropping a lot of it. Even businesses that have the resources to build specialized databases from scratch often aren't prepared for the upkeep required to accommodate frequent changes in social platforms.



Janrain Capture allows you to collect, store and leverage user profile data from social networks in a flexible, lightweight hosted database.

That's why Janrain developed and launched a customized database specifically for this purpose: Capture. Designed from the ground up (or more accurately, from the cloud down) specifically for this new breed of data, Capture provides flexible ways to store, segment and dole out information to different internal departments, business partners (like fulfillment or email marketing vendors) and software applications – even if each of these have varying needs and levels of security.

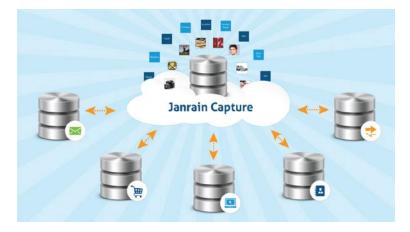
You can store social profile data, user activities on site, even custom site-specific data such as drink preferences or shoe size. With Capture, you can also enable branded, customizable user profile pages and privacy settings for customers. This puts your site visitors in control of the information they share with other members of your site and the public – effectively turning your website into an *instant* social community.

If you already have one or more databases for CRM, direct mail, email or fulfillment – you can import that legacy data and marry it with frequently updated social data. Capture also integrates with ratings and reviews, commenting tools, and analytics software to

unify intelligence across all business departments and functions.

Used in conjunction with *Engage, Capture* offers a turnkey solution for collecting and storing the information you need without having to dedicate resources to complex database design, implementation and maintenance. With one, powerful central data store in the cloud, you can develop faster, more comprehensive business insights, create better engagement strategies, target your marketing messages and customize content. You could call it a silo-busting tool for nimble, socially-driven businesses.

McKinsey Quarterly <u>reported</u> in late 2010: "Data is flooding in at rates never seen before — doubling every



Janrain Capture provides hooks to integrate seamlessly with third party CMS, commenting tools, ratings ϑ reviews and analytics software to unify intelligence and enhance your ability to interact with your users.

18 months...many companies are taking data use to new levels, using IT to support rigorous, constant business experimentation that guides decisions and to test new products, business models, and innovations in customer experience. In some cases, the new approaches help companies make decisions in real time. This trend has the potential to drive a radical transformation in research, innovation, and marketing."

So, where is your data and what will you do with it?



About Carri Bugbee



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About Janrain

Janrain helps organizations succeed on the social web with its user management platform. Comprised of multiple products that can be used together or in concert, Janrain solutions build user engagement and brand awareness. Janrain Engage provides social login and social sharing to enable a user to login with an existing account on Facebook, Twitter, LinkedIn or more than 20 other networks, as well as share activities from the site to their social networks. Build deeper online engagement with available extensions for loyalty, rewards and commenting. Janrain Capture is a turnkey registration and social data storage solution. Janrain Federate provides single sign-on functionality to extend a brand's online ecosystem. Janrain customers include industry leaders such as Universal Music Group, MTV Networks, Kodak, NPR, Tribune Interactive, Sears and Citysearch. Founded in 2005, Janrain is based in Portland, Oregon. For more information, please call 1-888-563-3082, or visit www.janrain.com.



Appendix: Sample Data Available Through Janrain Engage

